it is hoped that the resuscitation of these items will surely serve the State in good stead in providing her with easy means of transport of her goods.

DEBT POSITION

15. From the statement of assets and liabilities furnished on pages 12 and 13 of the Budget estimates, it will be seen that our liabilities at the close of 1121 including the balances at the credit of some of the Funds such as the General Reserve Fund, the Revenue Reserve Fund, the Post-war Reconstruction Fund &c., which are not repayable at call amount to Rs 19·08 crores. Against this liability the total assets including the outlay on productive works which can be treated as real assets aggregate Rs 19·74 crores or Rs 66 lakhs in excess of the total liabilities. It may also be mentioned that the assets do not include the capital outlay on the Kodayar Project which is yielding a revenue of only about 2 per cent. Our public debt stands at only Rs 479 lakhs which is less than the outlay on our productive works which can legitimately be financed from borrowed funds. Our debt position may therefore be considered as quite sound.

WAYS AND MEANS

16. The opening cash balance of the current year according to the financial accounts of 1119 was Rs 272 lakhs. Taking into account the estimated revenue, capital and debt transactions of the year, the current year is expected to close with a cash balance of Rs 267 lakhs and the next year with Rs 162 lakhs. Though a minimum cash balance of Rs 60 lakhs will be sufficient to carry on the day to day transactions of Government in normal years, a higher minimum balance has to be maintained to finance the Post-war Reconstruction and food grains purchase schemes. We have now a cash balance of Rs 267 lakhs, besides Rs 198 lakhs in gilt-edged securities and Rs 41 lakhs in short-term deposits with banks. These resources will serve for all emergencies and our cash position is therefore extremely satisfactory and there will be no need to raise any fresh loan in the market to finance our programme in the next year.

17. Sir, I have attempted to give the House as best as I could an account of the financial position of the State with special reference to the future. My delineation of the picture might have been far from perfect. But I feel confident that the financial position of the State is sound and will continue to be so, even when our revenues suffer the recoil inevitable when prices fall and the war-boom ceases; for we have built up sufficient reserves to meet that contingency and our normal expenditure is adjusted well within the normal revenues.

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